

**CHILDREN'S HEALTH INSURANCE PROGRAM
REAUTHORIZATION ACT (CHIPRA)
PROSPECTIVE PAYMENT SYSTEM FOR FEDERALLY
QUALIFIED HEALTH CENTERS AND RURAL HEALTH CLINICS
TRANSITION GRANTS**

CMS-1Z0-10-003

Electronic Application due: March 25, 2010

QUESTIONS AND ANSWERS

Section 503 of CHIPRA requires State CHIP programs to follow the requirements of Section 1902(bb) of the Act, which implemented a prospective payment system for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) under the Medicaid program in 2001. To comply with section 1902(bb) of the Act, State CHIP programs will be required to develop a prospective payment system (PPS) or an alternative payment methodology agreed to by the FQHCs and RHCs to pay for these services. To help State CHIP programs meet these requirements, Section 503 also authorizes \$5 million in grant funds to assist States in the transition to making payments for services provided by FQHCs and RHCs under a PPS.

Below are a series of questions about this grant program and CMS responses. If you have a question that does not appear on this listing, please submit it via e-mail to CMS via our dedicated resource box, CHIPRA_PPS_Transition_Grants@cms.hhs.gov. Rather than respond to each e-mail directly, we will use this website to periodically post answers to new questions.

Set #2 – Questions 26- 35
DATE: March 15, 2010

Question 26 - Is the grant period (1 year) for rate development only, or both rate development and the implementation of the new system?

Answer - The grant period of performance is June 15, 2010-June 14, 2011 (12 months) and includes completion of all grant activities.

Question 27 – Does the CHIPRA PPS grant require programs to look at specific years when establishing the baseline rate for the PPS system?

Answer - No, the sole intent of the CHIPRA PPS Transition Grant is to assist States with separate and/or combination CHIP programs in the transition to making payments for services provided by Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) under a prospective payment system (PPS) as required by section 503 of CHIPRA. Please refer to the CMS State Health Official Letter on the Section 503 provision dated February 4, 2010 for further guidance. It can be found at http://www.insurekidsnow.gov/professionals/federal/chipra_fohc.pdf.

Question 28 – The grant solicitation states that the registration process for a DUNS number and Authorized Organization Representative (AOR) could take two to four weeks to complete. Is there any way to find out if we are already registered?

Answer - The State needs a Central Contractor Registration (CCR) registration, DUNS number and Authorized Organization Representative (AOR) authorization. The State needs to register with the CCR at <http://www.ccr.gov>. Start this process as soon as possible. It is a separate process from submitting an application. We are aware that it may take two to four weeks to complete CCR registration process. We do not have the ability to check your CCR registration. Therefore,

registration should be completed in sufficient time to ensure that it does not impair your ability to meet required submission deadlines. You will not be able to move forward until CCR registration is complete. Your State does need to obtain a DUNS Number and AOR Authorization. To obtain a DUNS number, access the following Website: <http://fedgov.dnb.com/webform/> or call 1-866-705-5711. It may take up to two business days to obtain a DUNS Number. The AOR Authorization process begins when your State creates a Grants.gov username and password at “Get Registered” section of the grants.gov website at http://www.grants.gov/applicants/get_registered.jsp. The State must respond to the registration email from Grants.gov to authorize you as an AOR and login at Grants.gov to authorize you as an AOR.

Question 29- Are States required to submit both a resume and a job description for each of the grant positions (Project Director and Assistant Director) in the Appendices, or is it sufficient to submit one or the other for each grant position?

Answer – The submission of both a job description and a resume is required for the Project Director and Assistant Director grant positions. It is not sufficient to submit one or the other in the Appendices of the grant application.

Question 30- Can we request grant funding to build the necessary CHIPRA-compliant PPS components for implementation when the new MMIS System goes live? We believe this request would qualify as transition activities to accomplish financial system modifications, implement new auditing and reconciliation procedures, and obtain contractual assistance for data gathering. While the new MMIS will not "go live" until late in the grant period, funding now would allow us to build the claims processing components we will need; something not included nor anticipated in the original scope of this MMIS project.

Answer – We recommend that you review carefully the grant solicitation, including the review criteria, and submit an application that you believe is consistent with that guidance. A review of your application will be made by a panel, which will assess your application against the published guidelines and criteria.

Question 31 – Can a State request grant funding for activities whose expenditures might otherwise qualify for Federal funding under titles XIX and/or XXI?

Answer – No. These grants are intended to fund infrastructure activities that would not otherwise be eligible for Federal funding.

Question 32 - If a State currently has an alternative payment system in place to reimburse Federally Qualified Health Centers and Rural Health Clinics but wishes to develop a prospective payment system, are they eligible to apply for a PPS Transition grant?

Answer – Yes. However, we recommend that you review carefully the grant solicitation, including the review criteria, and submit an application that you believe is consistent with that guidance. A review of your application will be made by a panel which will assess your application against the published guidelines and criteria.

Clarifications to answers provided in Set 1, Q 6-10.

Question 33 - In a multi-State proposal, is one State expected to act as the ‘lead agency’?

Answer – Yes. One State must agree to act as the ‘lead agency’ for purposes of drawing down the grant funds.

Question 34 - In the case of a grant awarded in response to a multi-state application, may a State other than the lead State draw down grant funds directly?

Answer - No. In the case of a grant awarded in response to a multi-state application, only grantee (i.e., the lead State) may draw down grant funds. The states participating in the application must make arrangements for the grant funds to be distributed among the states.

Question 35 – In a multi-State proposal, is each State expected to designate a lead staff member or project director?

Answer – Yes. To ensure effective grant implementation and oversight, each participating State in a multi-State grant is expected to designate a project director. The State that submits the grant application and is the lead State must have a project director who maintains overall responsibility for the grant program and coordinates all activities with and among the other States in the multi-State grant. In addition, each partner State is expected to have a formal project director to coordinate the various activities of the grant in his or her State and to collaborate and cooperate with the overall project director for the lead State to achieve the specific goals of the grant.

Question 36 - If a State participates in more than one grant application and both/all are selected for award, who will make the decision regarding which demonstration the State is allowed to participate in, so as to avoid a State receiving funds under more than one grant?

Answer - A State may not receive funding under more than one grant award. The CMS will make the decision regarding which application, if any that includes a particular State receives a grant award.